

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

1

QUARTERLY FINANCIAL REPORTING FORM

Submitted on 5/12/2004 11:06:45 AM

		1
1.	FOR THE QUARTER ENDING:	March 31, 2004
2.	Name:	Aetna Dental of California Inc.
3.	File Number:(Enter last three digits) 933-0	313
4.	Date Incorporated or Organized:	July 24, 1985
5.	Date Licensed as a HCSP:	September 30, 1993
6.	Date Federally Qualified as a HCSP:	N/A
7.	Date Commenced Operation:	September 30, 1993
8.	Mailing Address:	2545 W. Hillcrest Drive, Bldg. C., Suite 100, Thousand Oaks, CA 91320
9.	Address of Main Administrative Office:	2545 W. Hillcrest Drive, Bldg. C., Suite 100, Thousand Oaks, CA 91320
10.	Telephone Number:	805-376-5350
11.	HCSP's ID Number:	06-1160812
12.	Principal Location of Books and Records:	2409 Camino Ramon, San Ramon, CA 94583
13.	Plan Contact Person and Phone Number:	Julie A. Dashiell (925) 543-9515
14.	Financial Reporting Contact Person and Phone Number:	Julie A. Dashiell (925) 543-9515
15.	President:*	Bryan John Geremia
16.	Secretary:*	Mary Virginia Anderson, Assistant Secretary
17.	Chief Financial Officer:*	Julie Ann Dashiell, Principal Financial Officer
18.	Other Officers:*	See page 18 - Notes to Financial Statements for list of additional officers
19.		
20.		
21.		
22.	Directors:*	Scott Alan Schnuckle
23.		Alan Stuart Hischberg
24.		Ronald Edward Inge, DDS
25.		Bryan John Geremia
26.		Julie Ann Dashiell
27.		William Albert Slavin, DDS
28.		
29.		
30.		
31.		

The officers listed on lines 15 through 17 of the health care service plan noted on line 2, being duly sworn, each for himself or herself, deposes and says that they are the officers of the said health care service plan, and that, for the reporting period stated above, all of the herein assets were the absolute property of the said health care service plan, free and clear from any liens or claims thereon, except as herein stated, and that these financial statements, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said health care service plan as of the reporting period stated above, and of its income and deductions therefrom for the period reported, according to the best of their information, knowledge and belief, respectively.

32.	President	Bryan John Geremia (please type for valid signature)
33.	Secretary	Mary Virginia Anderson, Assistant Secretary (please type for valid signature)
34.	Chief Financial Officer	Julie Ann Dashiell, Principal Financial Officer (please type for valid signature)
* Show full name (initials not accepted) and indicate by sign (#) those officers and directors who did not occupy the indicated position in the previous statement.		
35.	Check if this is a revised filing, and complete question 7 on page 2: <input type="checkbox"/>	
36.	If all dollar amounts are reported in thousands (000), check here: <input checked="" type="checkbox"/>	

Check My Work.

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

QUARTERLY FINANCIAL REPORTING FORM
SUPPLEMENTAL INFORMATION

		1
1.	Are footnote disclosures attached with this filing?	Yes <input type="button" value="v"/>
2.	Is the attached reporting form filed on a consolidated or combined basis? If "Yes", the plan is required to file consolidating or combining schedules.	No <input type="button" value="v"/>
3.	Is the plan required to file additional information (i.e. parent/affiliate financial statements, claims reports, etc.) that is required by the Department?	No <input type="button" value="v"/>
4.	Have the Restricted Assets changed from the previous quarterly filing? If "yes", complete Schedule A-2 (Restricted Assets).	No <input type="button" value="v"/>
5.	Are there any significant changes reported on Schedule G, Section III?	No <input type="button" value="v"/>
6.	If "yes", describe:	
7.	If this is a revised reporting form, what is/are the reason(s) for the revision?	

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

REPORT #1 ---- PART A: ASSETS

1	2
CURRENT ASSETS:	Current Period
1. Cash and Cash Equivalents	14,425,099
2. Short-Term Investments	
3. Premiums Receivable - Net	1,598,908
4. Interest Receivable	10,546
5. Shared Risk Receivables - Net	
6. Other Health Care Receivables - Net	
7. Prepaid Expenses	156,423
8. Secured Affiliate Receivables - Current	
9. Unsecured Affiliate Receivables - Current	2,833,172
10. Aggregate Write-Ins for Current Assets	313,474
11. TOTAL CURRENT ASSETS (Items 1 to 10)	19,337,622
OTHER ASSETS:	
12. Restricted Assets	50,000
13. Long-Term Investments	
14. Intangible Assets and Goodwill - Net	
15. Secured Affiliate Receivables - Long-Term	
16. Unsecured Affiliate Receivables - Past Due	
17. Aggregate Write-Ins for Other Assets	0
18. TOTAL OTHER ASSETS (Items 12 to 17)	50,000
PROPERTY AND EQUIPMENT	
19. Land, Building and Improvements	
20. Furniture and Equipment - Net	
21. Computer Equipment - Net	
22. Leasehold Improvements -Net	
23. Construction in Progress	
24. Software Development Costs	
25. Aggregate Write-Ins for Other Equipment	0
26. TOTAL PROPERTY AND EQUIPMENT (Items 19 to 25)	0
27. TOTAL ASSETS	19,387,622
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR CURRENT ASSETS	
1001. Deferred Tax Asset	313,474
1002.	
1003.	
1004.	
1098. Summary of remaining write-ins for Item 10 from overflow page	
1099. TOTALS (Items 1001 thru 1004 plus 1098)	313,474
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER ASSETS	
1701.	
1702.	
1703.	
1704.	
1798. Summary of remaining write-ins for Item 17 from overflow page	
1799. TOTALS (Items 1701 thru 1704 plus 1798)	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER EQUIPMENT	
2501.	
2502.	
2503.	
2504.	
2598. Summary of remaining write-ins for Item 25 from overflow page	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	0

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

REPORT #1 ---- PART B: LIABILITIES AND NET WORTH

1	2	3	4
CURRENT LIABILITIES:	Current Period		
	Contracting	Non-Contracting	Total
1. Trade Accounts Payable	0	XXX	0
2. Capitation Payable	150,790	XXX	150,790
3. Claims Payable (Reported)	84,442		84,442
4. Incurred But Not Reported Claims	2,830,358		2,830,358
5. POS Claims Payable (Reported)			0
6. POS Incurred But Not Reported Claims			0
7. Other Medical Liability	74,000		74,000
8. Unearned Premiums	216,661	XXX	216,661
9. Loans and Notes Payable		XXX	0
10. Amounts Due To Affiliates - Current	3,449,330	XXX	3,449,330
11. Aggregate Write-Ins for Current Liabilities	4,014,718	0	4,014,718
12. TOTAL CURRENT LIABILITIES (Items 1 to 11)	10,820,299	0	10,820,299
OTHER LIABILITIES:			
13. Loans and Notes Payable (Not Subordinated)		XXX	0
14. Loans and Notes Payable (Subordinated)		XXX	0
15. Accrued Subordinated Interest Payable		XXX	0
16. Amounts Due To Affiliates - Long Term		XXX	0
17. Aggregate Write-Ins for Other Liabilities	0	XXX	0
18. TOTAL OTHER LIABILITIES (Items 13 to 17)	0	XXX	0
19. TOTAL LIABILITIES	10,820,299	0	10,820,299
NET WORTH			
20. Common Stock	XXX	XXX	500
21. Preferred Stock	XXX	XXX	
22. Paid In Surplus	XXX	XXX	209,500
23. Contributed Capital	XXX	XXX	
24. Retained Earnings (Deficit)/Fund Balance	XXX	XXX	8,357,323
25. Aggregate Write-Ins for Other Net Worth Items	XXX	XXX	0
26. TOTAL NET WORTH (Items 20 to 25)	XXX	XXX	8,567,323
27. TOTAL LIABILITIES AND NET WORTH	XXX	XXX	19,387,622
DETAILS OF WRITE-INS AGGREGATED AT ITEM 11 FOR CURRENT LIABILITIES			
1101. Current Federal & State Tax Payable	3,917,260		3,917,260
1102. Claims Adjustment Accrual	97,458		97,458
1103.			0
1104.			0
1198. Summary of remaining write-ins for Item 11 from overflow page			0
1199. TOTALS (Items 1101 thru 1104 plus 1198)	4,014,718	0	4,014,718
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER LIABILITIES			
1701.		XXX	0
1702.		XXX	0
1703.		XXX	0
1704.		XXX	0
1798. Summary of remaining write-ins for Item 17 from overflow page		XXX	0
1799. TOTALS (Items 1701 thru 1704 plus 1798)	0	XXX	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER NET WORTH ITEMS			
2501.	XXX	XXX	
2502.	XXX	XXX	
2503.	XXX	XXX	
2504.	XXX	XXX	
2598. Summary of remaining write-ins for Item 25 from overflow page	XXX	XXX	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	XXX	XXX	0

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

REPORT #2: REVENUE, EXPENSES AND NET WORTH

	1	2
	Current Period	Year-To-Date
REVENUES:		
1. Premiums (Commercial)	14,578,264	14,578,264
2. Capitation		
3. Co-payments, COB, Subrogation		
4. Title XVIII - Medicare		
5. Title XIX - Medicaid		
6. Fee-For-Service		
7. Point-Of-Service (POS)		
8. Interest	29,700	29,700
9. Risk Pool Revenue		
10. Aggregate Write-Ins for Other Revenues	0	0
11. TOTAL REVENUE (Items 1 to 10)	14,607,964	14,607,964
EXPENSES:		
Medical and Hospital		
12. Inpatient Services - Capitated		
13. Inpatient Services - Per Diem		
14. Inpatient Services - Fee-For-Service/Case Rate		
15. Primary Professional Services - Capitated	4,285,171	4,285,171
16. Primary Professional Services - Non-Capitated	1,928,147	1,928,147
17. Other Medical Professional Services - Capitated		
18. Other Medical Professional Services - Non-Capitated		
19. Non-Contracted Emergency Room and Out-of-Area Expense, not including POS		
20. POS Out-Of-Network Expense		
21. Pharmacy Expense - Capitated		
22. Pharmacy Expense - Fee-for-Service		
23. Aggregate Write-Ins for Other Medical and Hospital Expenses	0	0
24. TOTAL MEDICAL AND HOSPITAL (Items 12 to 23)	6,213,318	6,213,318
Administration		
25. Compensation	277,726	277,726
26. Interest Expense		
27. Occupancy, Depreciation and Amortization	39,706	39,706
28. Management Fees		
29. Marketing	323,463	323,463
30. Affiliate Administration Services	1,093,370	1,093,370
31. Aggregate Write-Ins for Other Administration	165,943	165,943
32. TOTAL ADMINISTRATION (Items 25 to 31)	1,900,208	1,900,208
33. TOTAL EXPENSES	8,113,526	8,113,526
34. INCOME (LOSS)	6,494,438	6,494,438
35. Extraordinary Item		
36. Provision for Taxes	3,301,426	3,301,426
37. NET INCOME (LOSS)	3,193,012	3,193,012
NET WORTH:		
38. Net Worth Beginning of Period	9,374,311	9,374,311
39. Audit Adjustments		
40. Increase (Decrease) in Common Stock		
41. Increase (Decrease) in Preferred Stock		
42. Increase (Decrease) in Paid in Surplus		
43. Increase (Decrease) in Contributed Capital		
44. Increase (Decrease) in Retained Earnings:		
45. Net Income (Loss)	3,193,012	3,193,012
46. Dividends to Stockholders	-4,000,000	-4,000,000
47. Aggregate Write-Ins for Changes in Retained Earnings	0	0
48. Aggregate Write-Ins for Changes in Other Net Worth Items	0	0
49. NET WORTH END OF PERIOD (Items 38 to 48)	8,567,323	8,567,323

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

REPORT #2: REVENUE, EXPENSES AND NET WORTH

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR OTHER REVENUES		
1001.		
1002.		
1003.		
1004.		
1005.		
1006.		
1098. Summary of remaining write-ins for Item 10 from overflow page		
1099. TOTALS (Items 1001 thru 1006 plus 1098)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 23 FOR OTHER MEDICAL AND HOSPITAL EXPENSES		
2301.		
2302.		
2303.		
2304.		
2305.		
2306.		
2398. Summary of remaining write-ins for Item 23 from overflow page		
2399. TOTALS (Items 2301 thru 2306 plus 2398)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 31 FOR OTHER ADMINISTRATIVE EXPENSES		
3101. Bad Debt Expense	124,164	124,164
3102. Other Administrative Expenses	41,779	41,779
3103.		
3104.		
3105.		
3106.		
3198. Summary of remaining write-ins for Item 31 from overflow page		
3199. TOTALS (Items 3101 thru 3106 plus 3198)	165,943	165,943
DETAILS OF WRITE-INS AGGREGATED AT ITEM 47 FOR CHANGES IN RETAINED EARNINGS		
4701.		
4702.		
4703.		
4704.		
4705.		
4706.		
4798. Summary of remaining write-ins for Item 47 from overflow page		
4799. TOTALS (Items 4701 thru 4706 plus 4798)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 48 FOR CHANGES OF OTHER NET WORTH ITEMS		
4801.		
4802.		
4803.		
4804.		
4805.		
4806.		
4898. Summary of remaining write-ins for Item 48 from overflow page		
4899. TOTALS (Items 4801 thru 4806 plus 4898)	0	0

REPORT #3: STATEMENT OF CASH FLOWS

1	2	3
	Current Period	Year-to-Date
CASH FLOW PROVIDED BY OPERATING ACTIVITIES		
1. Group/Individual Premiums/Capitation	14,338,498	14,338,498
2. Fee-For-Service		
3. Title XVIII - Medicare Premiums		
4. Title XIX - Medicaid Premiums		
5. Investment and Other Revenues	29,563	29,563
6. Co-Payments, COB and Subrogation		
7. Medical and Hospital Expenses	-6,882,161	-6,882,161
8. Administration Expenses	-1,789,299	-1,789,299
9. Federal Income Taxes Paid		
10. Interest Paid		
11. NET CASH PROVIDED BY OPERATING ACTIVITIES	5,696,601	5,696,601
CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
12. Proceeds from Restricted Cash and Other Assets	0	0
13. Proceeds from Investments	0	0
14. Proceeds for Sales of Property, Plant and Equipment	0	0
15. Payments for Restricted Cash and Other Assets	0	0
16. Payments for Investments	0	0
17. Payments for Property, Plant and Equipment	0	0
18. NET CASH PROVIDED BY INVESTING ACTIVITIES	0	0
CASH FLOW PROVIDED BY FINANCING ACTIVITIES:		
19. Proceeds from Paid in Capital or Issuance of Stock	0	0
20. Loan Proceeds from Non-Affiliates	0	0
21. Loan Proceeds from Affiliates	0	0
22. Principal Payments on Loans from Non-Affiliates	0	0
23. Principal Payments on Loans from Affiliates	0	0
24. Dividends Paid	-4,000,000	-4,000,000
25. Aggregate Write-Ins for Cash Provided by Financing Activities	0	0
26. NET CASH PROVIDED BY FINANCING ACTIVITIES	-4,000,000	-4,000,000
27. NET INCREASE (DECREASE) IN CASH (Items 11, 18 & 26)	1,696,601	1,696,601
28. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE QUARTER	12,728,498	12,728,498
29. CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER	14,425,099	14,425,099
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
30. Net Income	3,193,012	3,193,012
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
31. Depreciation and Amortization	0	0
32. Decrease (Increase) in Receivables	-455,895	-455,895
33. Decrease (Increase) in Prepaid Expenses	-156,423	-156,423
34. Decrease (Increase) in Affiliate Receivables	71,817	71,817
35. Increase (Decrease) in Accounts Payable		
36. Increase (Decrease) in Claims Payable and Shared Risk Pool	-512,421	-512,421
37. Increase (Decrease) in Unearned Premium	144,175	144,175
38. Aggregate Write-Ins for Adjustments to Net Income	3,412,336	3,412,336
39. TOTAL ADJUSTMENTS (Items 31 through 38)	2,503,589	2,503,589
40. NET CASH PROVIDED BY OPERATING ACTIVITIES (Item 30 adjusted by Item 39 must agree to Item 11)	5,696,601	5,696,601
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Item 25 from overflow page		
2599. TOTALS (Items 2501 thru 2503 plus 2598)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 38 FOR ADJUSTMENTS TO NET INCOME		
3801. Income Taxes Payable	3,347,901	3,347,901
3802. Affiliate Payables	115,871	115,871
3803.		
3898. Summary of remaining write-ins for Item 38 from overflow page	-51,436	-51,436
3899. TOTALS (Items 3801 thru 3803 plus 3898)	3,412,336	3,412,336

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REPORT #4: ENROLLMENT AND UTILIZATION TABLE**TOTAL ENROLLMENT**

1 Source of Enrollment	2 Total Enrollees At End of Previous Period	3 Additions During Period	4 Terminations During Period	5 Total Enrollees at End of Period	6 Cumulative Enrollee Months for Period	Total Member Ambulatory Encounters for Period			10 Total Patient Days Incurred	11 Annualized Hospital Days/1000	12 Average Length of Stay
						7 Physicians	8 Non-Physicians	9 Total			
1. Group (Commercial)	271,475	23,122	23,375	271,222	816,697			0		0	
2. Medicare Risk				0				0			
3. Medi-Cal Risk				0				0			
4. Individual				0				0			
5. Point of Service				0				0			
6. Aggregate write-ins for Other	0	0	0	0	0	0	0	0	0		
7. Total Membership	271,475	23,122	23,375	271,222	816,697	0	0	0	0	0	
DETAILS OF WRITE-INS AGGREGATED AT ITEM 6 FOR OTHER SOURCES OF ENROLLMENT											
601. Small Group				0				0			
602. Healthy Families				0				0			
603. AIM				0				0			
604. Medicare Cost				0				0			
605. ASO				0		N/A	N/A	N/A	N/A	N/A	N/A
606. PPO				0				0			
607.				0				0			
608.				0				0			
609.				0				0			
610.				0				0			
611.				0				0			
612.				0				0			
Summary of remaining write-ins for											
698. Item 6 from overflow page				0				0			
Totals (lines 601 through 612 plus											
699, 698) (Line 6 above)	0	0	0	0	0	0	0	0	0		

**

SCHEDULE A-1 (CASH)

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
1. NOT REQUIRED ON QUARTER		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9. Total Cash on Deposit		0
10. Cash on Hand (Petty Cash)		
11. Total Cash on Hand and on Deposit (Report #1, Part A, Line 1)		0

SCHEDULE A-2 RESTRICTED ASSETS

1	2	3
Name of Depository (List all accounts even if closed during period)	Account Number	Balance*
12. NOT REQUIRED ON QUARTER		
13.		
14.		
15.		
16.		
17.		
18.		
19. Total Restricted Assets		0

* Indicate the Balance Per the HMO's Records

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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

SCHEDULE C - PREMIUMS RECEIVABLE (Other than Affiliates)

Individually list all debtors (commercial only) with account balances greater than 5% of gross Premiums Receivable. Group the total of all other premiums receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.	NOT REQUIRED ON QUARTER					0
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.						0
25.						0
26.						0
27.						0
28.						0
29.						0
30.						0
31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed					0
55.	Total	0	0	0	0	0

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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

SCHEDULE D
HEALTH CARE RECEIVABLES &
AMOUNTS DUE FROM PARENT, SUBSIDIARIES, AND AFFILIATES

Individually list all debtors with account balances greater than 10% of gross Receivables. Group the total of all other receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.	Aetna	2,818,174				2,818,174
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.						0
25.						0
26.						0
27.						0
28.						0
29.						0
30.						0
31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed	14,998		0		14,998
55.	Total	2,833,172	0	0	0	2,833,172

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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

SCHEDULE F - ACCOUNTS PAYABLE

Individually list all creditors with account balances greater than 5% of total trade accounts payable. Group the total of all other payables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed - Due." Report accounts payable from the initial date of billing or due date under contract.

1	2	3	4	5	6	7
Name of Debtor	1-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total
1. NOT REQUIRED ON QUARTER						0
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23. Aggregate Accounts Not Individually Listed - Due						0
24. Total	0	0	0	0	0	0

**

SCHEDULE G - UNPAID CLAIMS ANALYSIS
SECTION I - CLAIMS UNPAID

	1	2	3
Type of Claim	Reported Claims in Process of Adjustment	Estimated Incurred but Unreported	Total - Unpaid Claims (Columns 4+5 of Section II)
1. Inpatient Claims			0
2. Physician Claims			0
3. Referral Claims			0
4. Other Medical	84,442	2,830,358	2,914,800
5. TOTAL	84,442	2,830,358	2,914,800

SECTION II - ANALYSIS OF CLAIMS UNPAID - PREVIOUS YEAR (FILE ANNUAL ONLY)

1 Type of Claim	Claims Paid During the Fiscal Year		Unpaid Claims During the Fiscal Year		6 Total Claims (Paid and Unpaid) for the Previous Fiscal Year (2+4)	7 Estimated Liability of Unpaid Claims Prior to the first day of the Prior Year
	2 On Claims Incurred Prior to the first day of the Current Fiscal Year	3 On Claims Incurred During the Fiscal Year	4 On Claims Unpaid Prior to the first day of the Previous Fiscal Year	5 On Claims Incurred During the Year		
6. Inpatient Claims					0	
7. Physician Claims					0	
8. Referral Claims					0	
9. Other Medical					0	
10. TOTAL	0	0	0	0	0	0

SECTION III - INVENTORY OF CLAIMS TO BE PROCESSED*

1 Month Ending	2 Beginning Balance Number of Claims in inventory on the 1st of each month	3 Add - Claims Received during the month	4 Deduct - Claims paid during the month	5 Deduct - Claims denied during the month	6 Add/Deduct - Adjustments	7 Ending Balance Number of claims in inventory at the end of the month
11. April 2003	4,165	35,068	31,743	2,631		4,859
13. May 2003	4,859	26,385	24,752	2,729		3,763
14. June 2003	3,763	29,649	27,056	2,632		3,724
15. July 2003	3,724	35,157	32,382	2,114		4,385
16. August 2003	4,385	31,654	30,965	2,080		2,994
17. September 2003	2,994	32,128	29,535	2,370		3,217
18. October 2003	3,217	39,970	37,882	2,959		2,346
19. November 2003	2,346	35,082	28,304	4,674		4,450
20. December 2003	4,450	41,228	35,222	6,568		3,888
21. January 2004	3,888	28,442	23,973	5,400		2,957
22. February 2004	2,957	35,741	30,597	5,180		2,921
23. March 2004	2,921	49,606	44,277	5,538		2,712

* Describe any significant changes reported on Schedule G, Section III in the Supplemental Schedule (Page 2).

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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

SCHEDULE H - AGING OF ALL CLAIMS

Age all claims on hand at the end of each month. Use the date of receipt to determine the number of days the claims is outstanding. The amount reported in Column 6 should equal the amount Reported on Schedule G, Section III, Column 7.

	1	2	3	4	5	6
1.	Month Ending	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
2.	April 2003	4,723	127	9		4,859
3.	May 2003	3,700	59	4		3,763
4.	June 2003	3,667	53	4		3,724
5.	July 2003	4,340	45	0		4,385
6.	August 2003	2,957	37	0		2,994
7.	September 2003	3,188	29	0		3,217
8.	October 2003	2,331	15	0		2,346
9.	November 2003	4,430	20	0		4,450
10.	December 2003	3,878	10	0		3,888
11.	January 2004	2,955	2	0		2,957
12.	February 2004	2,919	2	0		2,921
13.	March 2004	2,711	1	0		2,712

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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

SCHEDULE I - ANALYSIS OF TOTAL MEDICAL LIABILITY TO ACTUAL CLAIMS PAID

Using the Plan's Lag Tables, complete the following table. Provide claim information the current quarter and the previous seven quarters. An actuarial certification may be submitted in lieu of this schedule.

Reported Accrual				
1	2	3	4	5
Quarter Ending Date	Total Medical Liability*	Amount Paid-To-Date	Difference - Column (2-3)	Outstanding Liability (Based on plan's lag
1. See Actuarial Certificate		XXX	0	
2. Previous Quarter			0	
3. Previous 2 Quarters			0	
4. Previous 3 Quarters			0	
5. Previous 4 Quarters			0	
6. Previous 5 Quarters			0	
7. Previous 6 Quarters			0	
8. Previous 7 Quarters			0	

* Should tie to Report #1, Part B, Columns 1 & 2, Lines 3 through 7.

**

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NOTES TO FINANCIAL STATEMENTS	
1.	Officers of the Corporation (continued from Page 1)
2.	Russell Page Smith, Vice President and Treasurer
3.	William Calvin Baskin III, Vice President and Secretary
4.	Ronald Edward Inge, DDS, Vice President - Operations
5.	Alan Stuart Hirschberg, Vice President
6.	Gregory Stephen Martino, Vice President
7.	Blake Walker Martin, Vice President
8.	Scott Alan Schnuckle, Vice President
9.	William Albert Slavin, DDS, Vice President
10.	James David Weiss, Controller and Assistant Secretary
11.	Hazel Mary Ashworth, Assistant Treasurer
12.	Elaine Rose Cofrancesco, Assistant Treasurer
13.	Alfred Paul Quirk, Jr., Assistant Treasurer
14.	Inda Chow, Assistant Secretary
15.	William Ira Kramer, Assistant Secretary
16.	Catherine Bouffides Walsh, Assistant Secretary
17.	Jerry John Bellizzi, Assistant Secretary
18.	Kevin James Casey, Senior Investment Officer
19.	Barbara Ann Shaffer, Assistant Secretary#
20.	
21.	
22.	
23.	Financial Statement Footnotes - see attached Word document file (ADC Notes-032004.doc)
24.	
25.	Actuarial Certificate - signed copy to be mailed and see attached Word document file
26.	(ADC Actuarial Opinion-032004.doc)
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OVERFLOW PAGE FOR WRITE-INS		
1.	Aggregate Write-Ins for Adjustments to Net Income, Line 38 - Cash Flow Statement - Page 7	
2.		
3.		
4.		
5.	Claims Adjustment Expense	(4,961)
6.	Deferred Income Taxes	(46,475)
7.		
8.		
9.	Total Aggregate Write-Ins for	
10.	Adjustment to Net Income - Direct	
11.	Method Cash Flow	(51,436)
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STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

KNOX-KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1300.84.06, 1300.84.2 AND 1374.68

	1	2	3	4	5
A.	Explanation of the method of calculating the provision for incurred and unreported claims:				
1.					
B.	Accounts and Notes Receivable from officers, directors, owners or affiliates, as detailed below:				
	<u>Name of Debtor</u>	<u>Nature of Relationship</u>	<u>Nature of Receivable</u>	<u>Amount</u>	<u>Terms</u>
2.	Aetna	Affiliate	Inter-company Operating	2,818,174	Various
3.	AHM	Affiliate	Inter-company Operating	14,998	Various
4.					
5.					
6.					
C.	Donated materials or services received by the reporting entity for the period of the financial statements, as detailed below:				
	<u>Donor's Name</u>	<u>Affiliation with Reporting Entity</u>	<u>Valuation Method</u>	<u>Amount</u>	
7.	NONE				
8.					
9.					
10.					
11.					
D.	Forgiven debt or obligations, as detailed below:				
	<u>Creditor's Name</u>	<u>Affiliation with Reporting Entity</u>	<u>Summary of How Obligation Arose</u>	<u>Amount</u>	
12.	NONE				
13.					
14.					
15.					
E.	Calculation of Tangible Net Equity (TNE) and Required TNE in accordance with Section 1300.76 of the Rules:				
16.	Net Equity			\$ 8,567,323	
17.	Add: Subordinated Debt			\$	
18.	Less: Receivables from officers, directors, and affiliates			\$ 0	
19.	Intangibles			\$	
20.	Tangible Net Equity (TNE)			\$ 8,567,323	
21.	Required Tangible Net Equity (See Page 22)			\$ 658,131	
22.	TNE Excess (Deficiency)			\$ 7,909,192	
F.	Percentage of administrative costs to revenue obtained from subscribers and enrollees:				
23.	Revenue from subscribers and enrollees			\$ 14,578,264	
24.	Administrative Costs			\$ 1,900,208	
25.	Percentage			13	
26.	The amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees:			\$ 15,102	
27.	Total costs for health care services for the immediately preceding six months:			\$ 12,271,222	
28.	Percentage			0	

		1
<p>G. If the amount of health care expenses incurred during the six month period immediately preceding the date of the report which <u>were or will be</u> paid to noncontracting providers or directly reimbursed to subscribers and enrollees exceeds 10% of the total costs for health care services for the immediately preceding six months, the following information, determined as of the date of the reports, shall be provided:</p>		
29. Amount of all claims for noncontracting provider services received for reimbursement but not yet processed:	\$	0
30. Amount of all claims for noncontracting provider services denied for reimbursement during the previous 45 days:	\$	0
31. Amount of all claims for noncontracting provider services approved for reimbursement but not yet paid:	\$	0
32. An estimate of the amount of claims for noncontracting provider services incurred, but not reported:	\$	0
33. Compliance with Section 1377(a) as determined in accordance with such section, as follows:		
34. Cash & cash equivalents maintained	\$	0
35. Noncontracting provider claims (aggregate of total of items 29 - 32 above)	\$	0
36. Cash & cash equivalents reported to be maintained (120% x Line 35)	\$	0
37. Deposit required (100% of Line 36)	\$	0
38. Excess (deficient) reserves (Line 34 - Line 37)	\$	0
Percentage of premium revenue earned from point-of-service plan contracts:		
39. Premium revenue earned from point-of-service plan contracts	\$	0
40. Total premium revenue earned	\$	0
41. Percentage		0
Percentage of total health care expenditures incurred for enrollees for out-of-network services for point-of-service enrollees:		
42. Health care expenditures for out-of-network services for point-of-service enrollees	\$	0
43. Total health care expenditures	\$	0
44. Percentage		0
45. Point-of-Service Enrollment at end of period		0
Total Ambulatory encounters for period for point-of-service enrollees:		
46. Physician		0
47. Non-Physician		0
48. Total		0
49. Total Patient Days Incurred for Point-of-Service enrollees		0
50. Annualized Hospital Days/1000 for Point-of-Service enrollees		0.00
51. Average Length of Stay for Point of Service enrollees		0
52. Compliance with Section 1374.68(a) as follows:		
53. Current Monthly Claims Payable for out-of-network coverage or services provided under Point-of-Service Contracts:	\$	0
54. Current monthly incurred but not reported claims balance for out-of-network coverage or services provided under Point-of-Service contracts	\$	0
55. Total	\$	0
56. Total times 120%	\$	0
57. Deposit (Greater of Line 56 or minimum of \$200,000)	\$	0

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

REQUIRED TANGIBLE NET EQUITY (TNE) CALCULATION:

TNE required must be equal to the GREATER of "A" "B" or "C" below (See Rule 1300.76)

		Full Service Plans		Specialized Plans	
		1		2	
A.	Minimum TNE Requirement	\$ 1,000,000		\$ 50,000	
B.	REVENUES:				
1.	2% of the first \$150 million of annualized premium revenues	\$		\$ 150,000	
	Plus				
2.	1% of annualized premium revenues in excess of \$150 million	\$		\$ 508,131	
3.	Total	\$ 0		\$ 658,131	
C.	HEALTHCARE EXPENDITURES:				
4.	8% of the first \$150 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$		\$ 600,000	
	Plus				
5.	4% of annualized health care expenditures in excess of \$150 million except those paid on a capitated or managed hospital payment basis.	\$		\$ 8,504	
	Plus				
6.	4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$		\$ 0	
7.	Total	\$ 0		\$ 608,504	
8.	Required "TNE" - Greater of "A" "B" or "C"	\$		\$ 658,131	

**KNOX -KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1374.64**

POINT OF SERVICE TANGIBLE NET EQUITY CALCULATION

Calculation of Tangible Net Equity and required Tangible Net Equity in accordance with Section 1374.64:

	1	
1. Net Equity	\$	8,567,323
2. Add: Subordinated Debt	\$	0
3. Less: Receivables from officers, directors, and affiliates	\$	0
4. Intangibles	\$	0
5. Tangible Net Equity (TNE)	\$	8,567,323
6. Required Tangible Net Equity (From Line 10 or 13 below)	\$	0
7. TNE Excess (Deficiency)	\$	8,567,323
ADJUSTED MINIMUM TANGIBLE NET EQUITY CALCULATION (Complete Section I or II):		
I. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(1) or (2):		
8. Minimum TNE as calculated under Rule 1300.76 (a)(1) or (2)	\$	0
9. 10% of annualized health care expenditures for out-of-network service for point-of-service enrollees	\$	0
10. Add lines 8 and 9	\$	0
II. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(3):		
<u>PART A</u>		
11. Minimum TNE as recalculated to exclude annualized healthcare expenditures for out-of-network services for point-of-service enrollees (attach worksheet Page 24)	\$	0
12. 10% of annualized health care expenditures for out-of-network services for point-of-service enrollees	\$	0
13. Add lines 11 and 12	\$	0
III. MINIMUM TNE REQUIREMENT TO DETERMINE MONTHLY REPORTING		
14. Line 5 (above)	\$	8,567,323
15. Multiply Line 6 (above) by 130%	\$	0
16. Difference (Line 14 - Line 15)	\$	8,567,323
If Line 14 is less than Line 15, then monthly reporting is required		

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

WORKSHEET FOR ADJUSTED TANGIBLE NET EQUITY CALCULATION

	1 Full Service Plans	2 Specialized Plans
1. Health care expenditures for period	\$ 0	\$ 0
Less:		
2. Capitated or managed hospital payment basis expenditures	0	0
3. Health care expenditures for out-of-network services for point-of-service enrollees	0	0
4. Result	0	0
5. Annualized	0	0
6. Reduce to maximum of \$150 million	0	0
7. Multiply by 8%	\$ 0	\$ 0
Plus		
8. Annualized health care expenditures except those paid on a capitated or managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ 0	\$ 0
9. Less \$150 million	0	0
10. Multiply by 4%	\$ 0	\$ 0
Plus		
11. Annualized hospital expenditures paid on a managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ 0	\$ 0
12. Multiply by 4%	\$ 0	\$ 0
13. Total	\$ 0	\$ 0

STATEMENT AS OF 3-31-2004 OF 933-0313 Aetna Dental of California Inc.

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